

DATE: May 7, 2007
TO: Roger L. Stancil, Town Manager
FROM: Loryn Clark, Housing and Neighborhood Services Coordinator
SUBJECT: May 2, 2007 Council Committee Meeting: Chapel Watch Village

The following provides a brief summary of the May 2, 2007 Council Committee meeting:

Council Members Present: Sally Greene, Cam Hill, and Mark Kleinschmidt
Staff Present: Loryn Clark, J.B. Culpepper, Gene Poveromo
Others: Gary Buck, Phil Post, David Ravin

Call to Order

The meeting was called to order at 5:05 p.m.

Affordable Housing Policy as it Relates to Rental Units

The Council Committee began discussion of issues identified by the Council at the April 16, 2007 Public Hearing regarding the applicant's proposed affordable rental housing program. The applicant, Gary Buck, began the meeting by describing the proposed project, and challenges faced since submitting a development application to the Town in October, 2002. The applicant also reminded the Committee that the project would be a joint venture with Crosland.

The applicant described the differences, with respect to his greater financial burden, between the Chapel Watch Village proposal and the recently approved The Residences at Chapel Hill North. The applicant stated that the formula derived for a payment-in-lieu of affordable housing for the Chapel Hill North project, as approved by the Council would not work for Chapel Watch Village. Due to the location and restrictions of the site, the Chapel Watch Village project will require substantial public improvements that are not required for The Residences. The applicant stated his desire to meet the Council's affordable housing goals and make the project work.

The Committee discussed that the zoning of this property (Residential-2 and MU-01-1)) and the 11 acres of Resource Conservation District limits its development. The applicant could increase the density of the project, but does not want to request a rezoning from the Council and the Commissioners. The applicant also expressed that they have met with neighbors from surrounding neighborhoods and have received their support for this project.

The Committee discussed alternatives to providing affordable rental units on-site. The applicant suggested making a payment-in-lieu of providing affordable housing. Council Members asked the applicant to develop justification for a proposed figure, and present this information at the next Committee meeting. Other suggestions included providing rent subsidies, and deeding units to the Town to manage as affordable rental units.

The Council Committee meeting was recessed to 4:00 p.m. on Wednesday, May 9, 2007, Human Resources Conference Room, second floor, at Town Hall.

Please let me know if you have any questions.

PHILIP POST & ASSOCIATES, INC.
Engineers/Planners/Surveyors
401 Providence Road Suite 200
CHAPEL HILL, NORTH CAROLINA 27514
(919) 929-1173 (919) 493-2600
(919) 850-9662 (336) 273-7711

JOB CHAPEL WATKIN VILLAGE
SHEET NO. 1 OF 1
CALCULATED BY PNP DATE 4-30-2007
CHECKED BY _____ DATE _____
SCALE _____

COST ESTIMATE FOR PUBLIC IMPROVEMENTS:

1. EVANKS ROAD (1555 LF)

ESTIMATED PRICE

A) PVT. WIDENING	1,329 SY		\$32,565
B) CURB & GUTTER & DRAINAGE	1530 LF + 856 LF		56,990
C) SIDEWALK	1512 LF		22,850
D) GRADING / CLEANING	L.S.		85,730
E) PEDESTRIAN CROSSWALK	L.S.		14,200
F) WHEEL CHAIR RAMP	4 EA		3,800
G) STRIPING / SIGNAGE	L.S.		6,400

2. HORACE WILLIAMS GREENWAY (1400 LF)

A) CURB / GRADING	870 LF	62,205	31,103
B) PAVING	1555 SY	24,980	12,440
C) DRAINAGE / SIGNAGE / STRIPING	L.S.	17,800	8,900

3. MOVE DUKE RIVER LINE TO ACCOMMODATE WIDENING (695 LF)

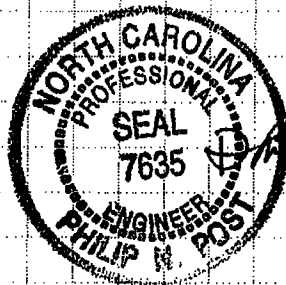
31,800

4. DESIGN COSTS FOR 1/2/3 ABOVE, PERMITS & CONSTRUCTION MANAGEMENT

27,600

TOTAL COST OF PUBLIC INFRASTRUCTURE BURDEN

\$ 334,378



PNP
4-30-2007

DATE: May 10, 2007
TO: Roger L. Stancil, Town Manager
FROM: Dana Stidham, Senior Planner
SUBJECT: May 9, 2007 Council Committee Meeting: Chapel Watch Village

The following provides a brief summary of the May 9, 2007 Council Committee meeting:

Council Members Present: Sally Greene, Cam Hill, and Mark Kleinschmidt
Staff Present: Dana Stidham, Loryn Clark, J.B. Culpepper, Gene Poveromo,
Ralph Karpinos
Others: Gary Buck, Phil Post, Robert Dowling

Call to Order

The meeting was called to order at 5:10 p.m.

Affordable Housing Policy as it Relates to Rental Units

The Council Committee began by discussing the document presented by Gary Buck (the applicant), "Chapel Watch Village – Affordable Proposal" (see attached). The proposal offered by the applicant included: Option 1- a one time payment in-lieu of \$270,000; or Option 2- a one time payment-in-lieu of \$153,000 and a donation of two units (2 bedrooms each) if and when the development is converted into condominiums.

The applicant emphasized some of the "economic" differences between the proposed Chapel Watch Village and the recently approved Residences at Chapel Hill North. The applicant stated that the economics associated with the Chapel Watch proposal do not permit an affordable housing proposal that includes a payment-in-lieu as large as the payment offered by the Residences at Chapel Hill North. The applicant expressed a concern that his proposed payment-in-lieu is a gift, and is not an ordinance requirement of his proposed development. The sentiment was expressed on the part of the Council members that although they appreciate the applicant's Option 1 and Option 2 affordable housing proposal, the Council does not want to set up an agreement that would appear to be arbitrary, especially as this proposal could become a precedent.

The applicant and Council also recognized the fact that, unlike the Residences at Chapel Hill North, Chapel Watch Village does not require the Council enactment of a text amendment and therefore the Council has less discretionary authority; although the Council must make a finding that the proposal is achieving the objectives of the Comprehensive Plan.

Continued discussion focused on the idea of future conversion of rental units to affordable condominium units, and how to implement an affordable housing program at the time of conversion. One possible option discussed included stipulating that, at such time the development is converted to condominiums that the applicant would: 1) provide 15% of the units as affordable housing; 2) provide a payment-in-lieu; or 3) provide some combination of units and payment. The Council asked the applicant to consider this as an option and return to the next meeting with a proposal that reflects this idea.

The Council Committee meeting was recessed to 5:00 p.m. on Wednesday, May 16, 2007, Human Resources Conference Room, second floor, at Town Hall. Please let me know if you have any questions.

Attachment

May 9, 2007

Chapel Watch Village
Affordable ProposalAlternatives

- 1) \$270,000 contribution to Affordable Housing.
 - \$15,000 per unit.
 - After ZCP- Four progress payments over 1.5 years (every 6 months)
 - No obligation at conversion.
- 2) \$153,000 contribution to Affordable Housing
 - \$8,500 per unit
 - After ZCP- Four progress payments over 1.5 years (every 6 months)
 - At conversion, two 2 bedroom units (total of 4 bedrooms) will be donated to ORCLT.

Justification

1. This application is not a rezoning.
2. This application is not a CUP.
3. This application does not require any special Council action or Council waivers.
4. The applicant has agreed to improve over 0.3 miles of road frontage on Eubanks Road.
5. The Applicant has agreed to provide 0.25 miles of public greenway, with enhanced pedestrian safety features on Eubanks Road.
6. The offer of the applicant is a contribution towards the goal of the Comprehensive Plan to "create and preserve affordable housing opportunities". In view of its status as a voluntary contribution, the Council determines that such a contribution is judged to be sufficient towards advancing the goal to the Comprehensive Plan.